



**LaHarpe Telephone Company Inc.**

***109 W 6<sup>th</sup> Street  
LaHarpe, KS 66751  
620-496-2291  
620-496-2491 FAX***

**REDACTED – FOR PUBLIC INSPECTION**

**VIA OVERNIGHT DELIVERY**

June 30, 2017  
Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12th Street, SW  
Room TW-A325  
Washington, DC 20554

**RE: La Harpe Telephone Company, Inc., SAC 411791  
Submission of FCC Form 481 Annual Report  
WC Docket No. 14-58 - ETC Annual Reports and Certifications**

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, La Harpe Telephone Company, Inc., (“the Company”), Study Area Code 411791, hereby files its FCC Form 481 – Carrier Annual Reporting Data Collection Form. *The version of the Company's FCC Form 481 submitted via the FCC's Electronic Comment Filing System (ECFS) is a redacted version of the filing that contains no confidential information.*

Section 3005 of FCC Form 481 requires privately-held rate-of-return carriers receiving high cost support to attach a full and complete annual report of the company's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). La Harpe Telephone Company, Inc., by its authorized representative, hereby seeks confidential treatment of its financial annual report pursuant to the March 22, 2016 *Protective Order* in WC Docket Nos. 10-90 and 14-58.<sup>1</sup> The *Protective Order* specifically covers the information required by 47 C.F.R. §54.313(f)(2).

La Harpe Telephone Company, Inc., is providing to the Office of the Secretary, under seal, this cover letter and the FCC Form 481 filing which includes the confidential information that is being requested to be withheld from public inspection.

Each page of the Company's financial annual report and the financial summary page on the FCC Form 481 bear the legend, “CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.”

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as attachments to the FCC Form 481.

---

<sup>1</sup> *Connect America Fund, ETC Annual Reports and Certifications*, WC Docket Nos. 10-90 and 14-58, Protective Order, 31 FCC Rcd 2089 (2016).



**LaHarpe Telephone Company Inc.**

***109 W 6<sup>th</sup> Street  
LaHarpe, KS 66751  
620-496-2291  
620-496-2491 FAX***

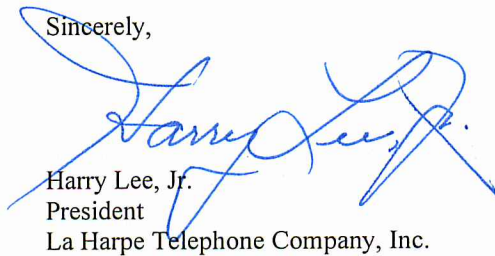
In the filing submitted via the ECFS, all pages containing confidential information bear the legend  
"REDACTED – FOR PUBLIC INSPECTION."

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

The FCC Form 481 has also been filed with the Universal Service Administrative Company and with the relevant state commissions and Tribal governments, as appropriate.

Please contact me if you have any questions.

Sincerely,



Harry Lee, Jr.  
President  
La Harpe Telephone Company, Inc.

**FCC Form 481 - Carrier Annual Reporting  
Data Collection Form**FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name: Person USAC should contact with questions about this data	Harry Lee
<035>	Contact Telephone Number: Number of the person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	harry.lee@laharpetel.com
	Form Type	54.313 and 54.422

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

No

Page 2

**(300) Unfulfilled Service Request  
Data Collection Form**

 FCC Form 481  
 OMB Control No. 3060-0986/OMB Control No. 3060-0819  
 July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

&lt;300&gt; Unfulfilled service request (voice)

0

&lt;310&gt; Detail on attempts (voice)

Name of Attached Document

&lt;320&gt; Unfulfilled service request (broadband)

0

&lt;330&gt; Detail on attempts (broadband)

Name of Attached Document

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. Offered only fixed voice	
<410>	Complaints per 1000 customers for fixed voice	0 . 0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize. Offered only fixed broadband	
<440>	Complaints per 1000 customers for fixed broadband	0 . 0
<450>	Complaints per 1000 customers for mobile broadband	

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
411791KS510.pdf		
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	
<515>	Certify compliance with applicable minimum service standards	

<b>(600) Functionality in Emergency Situations</b>		FCC Form 481
<b>Data Collection Form</b>		OMB Control No. 3060-0986/OMB Control No. 3060-0819
		July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	411791KS610.pdf



<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com
<701>	Residential Local Service Charge Effective Date	1/1/2017
<702>	Single State-wide Residential Local Service Charge	17.0

-- See attached worksheet

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

-- See attached worksheet --

**(800) Operating Companies  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com
<810>	Reporting Carrier	LaHarpe Telephone Company, Inc.
<811>	Holding Company	Name Not Available
<812>	Operating Company	LaHarpe Telephone Company, Inc.

[illegible]

**(900) Tribal Lands Reporting  
Data Collection Form**

 FCC Form 481  
 OMB Control No. 3060-0986/OMB Control No. 3060-0819  
 July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

&lt;900&gt; Does the filing entity offer tribal land services? (Y/N) No

&lt;910&gt; Tribal Land(s) on which ETC Serves

&lt;920&gt; Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable

**(1000) Voice and Broadband Service Rate Comparability  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

<1000> Voice services rate comparability certification Yes

<1010> Attach detailed description for voice services rate comparability compliance 411791KS1010.pdf

---

Name of Attached Document

<1020> Broadband comparability certification Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1030> Attach detailed description for broadband comparability compliance 411791KS1030.pdf

---

Name of Attached Document

**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

 FCC Form 481  
 OMB Control No. 3060-0986/OMB Control No. 3060-0819  
 July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

&lt;1100&gt; Certify whether terrestrial backhaul options exist (Y/N)

Yes

&lt;1130&gt; Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

**(1200) Terms and Condition for Lifeline Customers**  
**Lifeline**  
**Data Collection Form**

FCC Form 481  
 OMB Control No. 3060-0986/OMB Control No. 3060-0819  
 July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

411791KS1210.pdf

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- |        |   |                                     |
|--------|---|-------------------------------------|
| <1221> | Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, | <input checked="" type="checkbox"/> |
| <1222> | Details on the number of minutes provided as part of the plan,  | <input checked="" type="checkbox"/> |
| <1223> | Additional charges for toll calls, and rates for each such plan.  | <input checked="" type="checkbox"/> |

**(2005) Price Cap Carrier Additional Documentation**

FCC Form 481

**Data Collection Form**

OMB Control No. 3060-0986/OMB Control No. 3060-0819

*Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

**Incremental Connect America Phase I reporting**

- <2011> 3rd Year Certification 47 CFR §54.313(b)(1)(ii) - Note that for the July 2017 certification, this applies to Round 2 recipients of Incremental Support.
- <2022> Recipient certifies, representing year three after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.
- <2023> The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year three - 54.313(b)(2)(ii). Round 2 recipients only.
- <2024A> Round 2 Recipient of Incremental Support?
- <2024B> Attach list of census blocks indicating where funding was spent in year three - 54.313(b)(2)(ii). Round 2 recipients only.
- <2025A> Round 2 Recipient of Incremental Support?
- <2025B> Attach geocoded Information for Phase I milestone reports (Round 2 for year three) - Connect America Fund , WC Docket 10-90, Report and Order, FCC 13-73, paragraph 35 (May 22, 2013).
- <2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)

Name of Attached Document Listing  
Required Information

Name of Attached Document Listing  
Required Information



**(2005) Price Cap Carrier Additional Documentation**

FCC Form 481

**Data Collection Form**

OMB Control No. 3060-0986/OMB Control No. 3060-0819

*Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

July 2013

**Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**

&lt;2016&gt; Certification support used to build broadband

**Connect America Phase II Reporting {47 CFR § 54.313(e)}**

&lt;2017A&gt; Connect America Fund Phase II recipient?

&lt;2017C&gt; Total amount of Phase II support, if any, the price cap carrier used for capital expenditures in 2016.

&lt;2018&gt; Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(1)(ii)(A)

Name of Attached Document Listing  
Required Information

&lt;2019&gt; Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(1)(ii)(C)

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

Select from the drop down menu or check the boxes below to note compliance with 54.313(f)(1). Privately held carriers must ensure compliance with the financial reporting requirements set forth in 47 CFR 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3009)	Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii)	Yes - Attach Certification	
(3010A)	Certification of Public Interest Obligations {47 CFR § 54.313(f)(1)(i)}		411791KS3010b.pdf
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information	
(3012A)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	Not Applicable - No Attachment Required	
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information	
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}	(Yes/No)	<input checked="" type="radio"/> <input type="radio"/>
(3014)	If yes, does your company file the RUS annual report	(Yes/No)	<input type="radio"/> <input checked="" type="radio"/>
	Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:		
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		<input type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information	
(3018)	If the response is no on line 3014, is your company audited?	(Yes/No)	<input checked="" type="radio"/> <input type="radio"/>
	If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers		<input checked="" type="checkbox"/>
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows		<input checked="" type="checkbox"/>
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.		<input checked="" type="checkbox"/>
	If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers		<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant		<input type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.		<input type="checkbox"/>
(3025)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information	411791KS3026.pdf

# REDACTED - FOR PUBLIC INSPECTION

## (3005) Rate Of Return Carrier Additional Documentation (Continued)

FCC Form 481

### Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

### Financial Data Summary

(3027) Revenue

(3028) Operating Expenses

(3029) Net Income

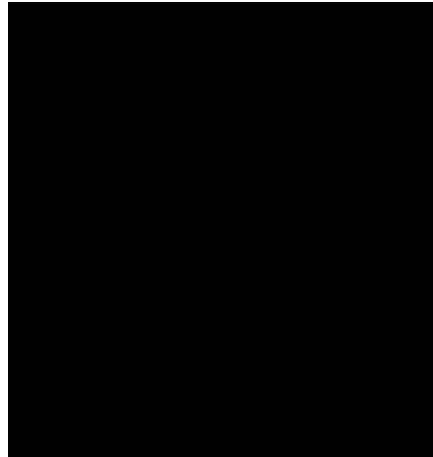
(3030) Telephone Plant In Service(TPIS)

(3031) Total Assets

(3032) Total Debt

(3033) Total Equity

(3034) Dividends



<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission’s public interest obligations. All RBE participants must provide a response to Line 4001.

**4001.** Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

Community Anchor Institutions – FCC 14-98 (paragraph 79)

**4003a.** RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

<b>4003b.</b> Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.	Name of Attached Document Listing Required Information	

Broadband Deployment Locations – FCC 14-98 (paragraph 80)

<b>4004a.</b> Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.	Name of Attached Document Listing Required Information	

<b>4004b.</b> Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.	Name of Attached Document Listing Required Information	

**Certification - Reporting Carrier  
Data Collection Form**

 FCC Form 481  
 OMB Control No. 3060-0986/OMB Control No. 3060-0819  
 July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

**TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:**

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: LA HARPE TEL CO INC	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/30/2017
Printed name of Authorized Officer: HARRY LEE JR	
Title or position of Authorized Officer: PRESIDENT	
Telephone number of Authorized Officer: 6204962291 ext.	
Study Area Code of Reporting Carrier: 411791	Filing Due Date for this form: 07/03/2017
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

**Certification - Agent / Carrier  
Data Collection Form**

 FCC Form 481  
 OMB Control No. 3060-0986/OMB Control No. 3060-0819  
 July 2013

<010> Study Area Code	411791
<015> Study Area Name	LA HARPE TEL CO INC
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Harry Lee
<035> Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

**TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:**

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

**TO BE COMPLETED BY THE AUTHORIZED AGENT:**

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	
Name of Authorized Agent Firm:	
Signature of Authorized Agent or Employee of Agent:	Date:
Name of Authorized Agent Employee:	
Title or position of Authorized Agent or Employee of Agent	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## Attachments

<b>(700) Price Offerings including Voice Rate Data</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

<701>	Residential Local Service Charge Effective Date	1/1/2017
<702>	Single State-wide Residential Local Service Charge	17.0

<703>

[illegible]



<b>(710) Broadband Price Offerings</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

July 2013

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com

[illegible]

## Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

OMB Control No. 3060-0986/OMB Control No. 3060-0819

<010>	Study Area Code	411791
<015>	Study Area Name	LA HARPE TEL CO INC
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Harry Lee
<035>	Contact Telephone Number - Number of person identified in data line <030>	6204962291 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	harry.lee@laharpetel.com
<810>	Reporting Carrier	LaHarpe Telephone Company, Inc.
<811>	Holding Company	Name Not Available
<812>	Operating Company	LaHarpe Telephone Company, Inc.

[illegible]

## Service Quality Standards & Consumer Protection Rules Compliance

To the best of my knowledge LaHarpe Telephone Company, Inc is in full compliance with all Service Quality Standards & Consumer Protection Compliance as provided for in the General Exchange Tariff for the LaHarpe Telephone Company, Inc. and approved by The State Corporation Commission of Kansas.

LaHarpe Telephone Company, Inc deployed fiber to the home in 2005 and we have had no quality of service issues since that time not related to acts of God, two fiber cuts, and issues with customer wiring and CPE.

We are compliant with billing standards, Customer Proprietary Network Information standards and Lifeline Service policy and procedures.

## FUNCTIONALITY IN EMERGENCY SITUATIONS

LaHarpe Telephone Company, Inc. has a 25 KW natural gas fed generator equipped with automatic switching equipment to provide electrical power in the event of a commercial power failure. The office is equipped with back-up battery power and dual rectifiers' and inverters. The outside plant is entirely buried and consists of fiber buried a minimum of 36 inches deep and in orange poly duct to all hand holds. The customer drops are buried approximately 18 inches deep. We have 3 connections to the "outside" network and each use diverse routing and are buried and in poly duct at least 36 inches deep. Our switch is capable of completing 120 simultaneous calls and can be upgraded to allow as many as 570 simultaneous calls. . We have 2 e-911 trunks, 4 O + trunks, 1 operator verification trunk, 2 SS7 trunks with diversified routing, and 191 2 way voice traffic trunks.

**LINE 1010 – VOICE SERVICES RATE COMPARABILITY**  
**LaHarpe Telephone Company, Inc**  
**Study Area 411791**

The Wireline Competition Bureau's 2017 reasonable comparability benchmark for voice services is \$49.51, which includes the federal subscriber line charge ("SLC").<sup>1</sup>

LaHarpe Telephone Company, Inc has a single-line residential local rate in effect as of January 1, 2017 of \$17.00. When the federal SLC (\$6.50) is included, the total rate is \$23.50. Therefore, the Company's pricing of fixed voice services is less than the reasonable comparability benchmark of \$49.51.

---

<sup>1</sup> *Wireline Competition Bureau Announces Results of 2017 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for ETCs Subject to Broadband Public Interest Obligations*, Public Notice, WC Docket No. 10-90, 32 FCC Rcd 1358 (2017).

## **LINE 1030 – BROADBAND SERVICES RATE COMPARABILITY**

As of January 1, 2017, LA HARPE TELEPHONE COMPANY, INC. was charging a residential rate of \$59.95 for broadband providing 10 Mbps download, 10 Mbps upload, and an unlimited usage allowance. This rate is lower than \$79.05, which is the 2017 reasonable comparability benchmark for the same offering established by the Wireline Competition Bureau.<sup>1</sup>

---

<sup>1</sup> *Wireline Competition Bureau Announces Results of 2017 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for ETCs Subject to Broadband Public Interest Obligations*, Public Notice, WC Docket No. 10-90, 32 FCC Rcd 1358 (2017). See also, <https://www.fcc.gov/general/reasonable-comparability-benchmark-calculator>.

## TERMS AND CONDITIONS FOR LIFELINE CUSTOMERS

A copy of LaHarpe Telephone Company's Lifeline Service Program terms and conditions as filed and approved by the Kansas Corporation Commission is attached and is paragraph 2.12 of our General Exchange Tariff. We do not differentiate between Lifeline Service Customers and non-Lifeline Service Customers with respect to the toll service provider they may choose or the minutes of toll service they may use except as provided for in paragraph 2.12 E. Rules and Regulations.

- (T) C. Program Eligibility Requirements
- (T) 1. Lifeline will be provided for one (1) telephone line per household at the customer's principal place of residence where there is only one active local exchange access line to his/her residential premises or dwelling place.<sup>1</sup> A room or portion of a residence occupied exclusively by an individual not sharing equally as a member of the domestic establishment may be considered a separate dwelling unit (premises). Verification of this requirement will be through self-certification.
- (T) 2. To be eligible for Lifeline assistance, a customer may qualify under either of the following criteria:
- (T) a. The customer must show they are currently a recipient of benefits from one of the following public assistance programs:
- (T) (N) 1. Bureau of Indian Affairs General Assistance  
2. Food Distribution Program  
3. Food Distribution Program on Indian Reservations  
4. Free School Lunch Program  
5. General Assistance  
6. Low Income Energy Assistance Program (LIEAP)  
7. Medicaid  
8. Section 8 Federal Public Housing Program  
9. Supplemental Nutrition Assistance Program  
10. Supplemental Security Income (SSI)  
11. Temporary Assistance for Needy Families  
12. Tribally Administered Free School Lunch Program  
13. Tribally Administered Head Start (only those meeting its income qualifying standard)  
(T) 14. Tribally Administered Temporary Assistance for Needy Families

The customer must obtain and provide to the Company a copy of a valid identification card or the appropriate documents that are issued to them by the agency administering the program.

(D)  
—  
(D)

<sup>1</sup> A residential premises or dwelling place is that location where a customer resides, even if such residential premises or dwelling place is only a single room. Lifeline will not be provided if the customer has access to other local exchange telephone service within the residential premises or dwelling place, provided/owned by himself/herself or owned/provided by others. If, however, it can be determined by the Company that access to other existing local exchange telephone service owned/provided by others is virtually denied, or is inaccessible to the customer, then Lifeline service will be provided.

Issued: June 28, 2012

Effective: August 1, 2012

Harry J. Lee, Jr., President & General Manager  
LaHarpe Telephone Company  
109 W. 6<sup>th</sup> Street, PO Box 123  
LaHarpe, Kansas 66751

10-GIMT-658-GIT  
Accepted For Filing  
Kansas Corporation Commission  
July 3, 2012  
/S/ Patrice Petersen-Klein



(T) F. Credit and Collections

- (T) 1. If a Lifeline applicant is known to have a poor credit history, a deposit may be required.
- (T) 2. Once service has been established for a Lifeline customer, they will be subject to bill payment policies contained in this tariff applicable to all customers.

(D)

2.2 Public Pay Telephone Service

2.21 Conditions

- A. A public telephone is an exchange station installed at the Company's option, equipped with a coin collecting device, at various locations within the exchange chosen or accepted by the Company as suitable and necessary for furnishing service to the general public. Location of all pay phones shall be at the sole discretion of the Company.
- B. Persons with whom arrangements are made by the Company for the installation of public telephones are considered as agents of the Company in serving the public.
- C. Public telephones are installed upon the agent signing established forms of application, without specific term, terminable by either an agent or the Company upon written notice.
- D. No listings in the directory or extension stations are allowed in connection with public telephone service.
- E. The Company may furnish public telephones without coin collecting equipment in selected locations for the purpose of satisfying demand for optional billing services on an originating basis only. In the normal mode, Coinless Public Telephone Service affords transients the option of selecting a preferred billing arrangement for outgoing messages: charging to a third number or to a Company credit card account, or placing calls collect. In certain locations, however, calls will be billed on a collect basis only.
- F. As in the case of Coin Public Telephones, the company is solely responsible for determining locations appropriate for installation of Coinless Public Telephones. The criteria for establishment of Coinless Service are potential usage and revenues, and public need and convenience.

2.22 Rates

A charge of \$0.25 applies for each local call originated through public pay station instruments. Standard long distance toll charges apply to all long distance calls. No charges are applied to connection with the Company's repair clerk, business office or any of its duly authorized officials.

Issued: June 28, 2012

Effective: August 1, 2012

Harry J. Lee, Jr., President & General Manager  
LaHarpe Telephone Company  
109 W. 6<sup>th</sup> Street, PO Box 123  
LaHarpe, Kansas 66751

10-GIMT-658-GIT  
Accepted For Filing  
Kansas Corporation Commission  
July 3, 2012  
/S/ Patrice Petersen-Klein

## **LINE 3010 – CERTIFICATION OF PUBLIC INTEREST OBLIGATIONS**

LA HARPE TELEPHONE COMPANY, INC. hereby certifies that the Company has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, and that requests for such service were met within a reasonable amount of time.

**LAHARPE TELEPHONE COMPANY, INC.**

LaHarpe, Kansas

Accountants' Review Report and  
Financial Statements

For the Years Ended  
December 31, 2016 and 2015

**LAHARPE TELEPHONE COMPANY, INC.**  
LaHarpe, Kansas

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
Accountants' Review Report .....	1
FINANCIAL STATEMENTS:	
Balance Sheets .....	2
Statements of Income and Retained Earnings .....	3
Statements of Cash Flows .....	4
Notes to Financial Statements .....	5-10

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To Management  
LaHarpe Telephone Company, Inc.  
Laharpe, Kansas

We have reviewed the accompanying financial statements of LaHarpe Telephone Company, Inc. (an S corporation), which comprise the balance sheets as of December 31, 2016 and 2015, and the related statements of income and retained earnings and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

**Accountants' Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

Iola, Kansas  
June 27, 2017

**REDACTED - FOR PUBLIC INSPECTION**  
**LAHARPE TELEPHONE COMPANY, INC.**

LaHarpe, Kansas  
Balance Sheets  
December 31, 2016 and 2015

	Assets			
	2016	2015		
Current Assets				
Cash				
Accounts Receivable, Net				
Inventory				
Prepaid Expenses				
Total Current Assets				
Investments				
Other Assets				
Property, Plant, and Equipment, Net				
Total Assets				
Liabilities and Stockholders' Equity				
Current Liabilities				
Accounts Payable				
Accrued Payroll				
Accrued Sales Tax				
Accrued Property Tax				
Total Current Liabilities				
Stockholders' Equity				
Capital Stock - Common				
authorized and outstanding at December 31,				
Retained Earnings				
Total Stockholders' Equity				
Total Liabilities and Stockholders' Equity				

See Accountants' Review Report

**LAHARPE TELEPHONE COMPANY, INC.**

LaHarpe, Kansas

Statements of Income and Retained Earnings  
For the Years Ended December 31, 2016 and 2015

	2016	2015
Operating Revenue		
Local Network Services		
Network Access Services		
Billing and Collection Services		
Total Revenues		
Operating Expenses		
Plant Specific Operations		
Plant Nonspecific Operations		
Depreciation		
Customer Operations		
Corporate Operations		
Other Taxes		
Total Operating Expenses		
Operating Income		
Other Income (Expense)		
Investment Income		
Other Non-Operating Revenue (Expenses)		
Unrealized Gain (Loss) on Investments		
Net Income Before Nonregulated Income		
Nonregulated Income		
Net Income for the Period		
Retained Earnings, Beginning of Year		
Subchapter S Distributions of Income		
Prior Period Adjustments (Note 11)		
Retained Earnings, End of Year		

See Accountants' Review Report

**REDACTED - FOR PUBLIC INSPECTION**  
**LAHARPE TELEPHONE COMPANY, INC.**

LaHarpe, Kansas  
Statements of Cash Flows  
For the Years Ended December 31, 2016 and 2015

	2016	2015
Cash Flows from Operating Activities		
Net Income		
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation		
(Gain) Loss on Sale of Assets		
(Gain) Loss on Sale of Securities		
Unrealized (Gain) Loss on Securities		
(Increase) Decrease in:		
Accounts Receivable		
Inventory		
Prepaid Expenses		
Increase (Decrease) in:		
Accounts Payable		
Accrued Payroll		
Accrued Sales Tax		
Accrued Property Tax		
Net Cash Provided (Used) by Operating Activities		
Cash Flows from Investing Activities		
Payments for the Acquisition of Capital Assets		
Proceeds from the Sale of Investments		
Purchases of Investments		
Net Cash Provided (Used) by Investing Activities		
Cash Flows from Financing Activities		
Subchapter S Distributions of Income		
Net Cash Provided (Used) by Financing Activities		
Net Increase (Decrease) in Cash		
Prior Period Adjustment		
Cash at Beginning of Year		
Cash at End of Year		

See Accountants' Review Report



**LAHARPE TELEPHONE COMPANY, INC.**

LaHarpe, Kansas

Notes to Financial Statements

For the Years Ended December 31, 2016 and 2015

**1. NATURE OF ACTIVITIES**

LaHarpe Telephone Company, Inc., (an S-corporation), was incorporated January 1, 1963, under the laws of the State of Kansas to engage in the operation of providing telephone service. The Company has been entirely owned by the Lee family since its inception.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES**

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the amounts reported. These estimates are based on historical experience and information that is available to management about current events and actions the Company may take in the future. Significant items subject to estimates and assumptions include the carrying value of long-lived assets, valuation allowances for receivables, inventories, legal and environmental liabilities, workers compensation, and assets and obligations related to employee benefit plans. There can be no assurance that actual results will not differ from these estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Company considers cash and cash equivalents to include cash, savings accounts, and certificates of deposit purchased with an original maturity of three months or less.

Concentration of Credit Risk

The Company maintains its deposits in institutions which it believes to be of high integrity and financial stability.

Inventory

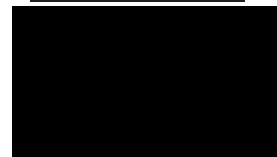
Inventory consists of supplies used in the repair of existing services and the establishment of new services. Inventory is stated at cost using the First-in, First-Out, (FIFO), basis of inventory. Obsolete materials are written off and scrapped when they are considered no longer usable.

Property, Plant, and Equipment, Net

It is the Company's policy to capitalize property, plant, and equipment with a useful life of more than one year and a value over \$500.00. Property, plant, and equipment are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the respective classes of property as prescribed by the Rural Utilities Service, a part of the USDA.

Vehicles and Work Equipment  
Central Office Equipment  
Outside Plant  
Furniture and Office Equipment  
Office Building

Percent Per Year



**2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES** (Continued)

Property, Plant, and Equipment, Net (Continued)

Expenditures for maintenance and repairs, which do not extend the life of the applicable assets, are charged to expense as incurred. When properties are disposed of, the related cost and accumulated depreciation are removed from the accounts and profit or loss upon disposition is reflected in operations.

Allowance for Doubtful Accounts

Accounts receivable is presented in the balance sheet net of estimated uncollectible amounts. The Company maintains an allowance for doubtful accounts as a reserve for the loss that would be incurred if a customer is unable to pay amounts due to the Company. The Company determines this based on various factors, including the customer's financial condition. Individual uncollectible accounts are written off against the allowance when collection of the individual accounts appears doubtful.

Revenue and Expense Recognition

The Company's revenue is derived primarily from the sale of local and long distance telephone service to the City of LaHarpe, Kansas and the immediately surrounding rural area. The Company uses the accrual basis of accounting for all revenues and expenses.

Advertising Costs

The Company expenses advertising costs when incurred.

Income Tax Status

The Company, with the consent of its shareholders, has elected under the Internal Revenue Code to be taxed as an S corporation. The shareholders of an S corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in the financial statements for the years ended December 31, 2016 and 2015.

**3. INVENTORY**

Inventory at December 31, 2016 and 2015 consists of the following:

	2016	2015
Materials and Supplies		
Nonregulated Materials and Supplies		
Total Inventory		

**4. ACCOUNTS RECEIVABLE, NET**

Accounts receivable consists primarily of unsecured trade accounts receivables. Accounts receivable of [REDACTED] at December 31, 2016 and 2015 represent amounts due to the Company in the normal course of doing business. Accounts receivable is presented in the balance sheet net of estimated uncollectible amounts. The allowance for uncollectible accounts was [REDACTED] at December 31, 2016 and 2015.

**5. INVESTMENTS**

Non-Regulated Investments

The Company presently classifies all non-regulated investments as held to maturity. The cost and fair value of the Company's non-regulated investments at December 31, 2016 and 2015 were as follows:

**5. INVESTMENTS (Continued)**

Non-Regulated Investments (Continued)

December 31, 2016

Money Market Funds  
Mutual Funds  
Private Equity  
Corporate Stocks  
Hedge Funds  
Total Non-Regulated Investments

Money Market Funds  
Mutual Funds  
Private Equity  
Corporate Stocks  
Hedge Funds  
Total Non-Regulated Investments

**6. FAIR VALUE MEASUREMENTS**

The Company's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to measure the fair value of certain financial instruments could result in a different fair value at the reporting date.

Investments measured at fair value on a recurring basis consisted of the following types of instruments as of December 31, 2016 and 2015 (Level 1, 2 and 3 inputs are defined below):

- Level 1.           Observable inputs such as quoted prices in active markets;
- Level 2.           Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3.           Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions that market participants might reasonable use in valuing the investment.

**6. FAIR VALUE MEASUREMENTS (Continued)**

December 31, 2016				
	Level 1	Level 2	Level 3	Total
Money Market Funds				
Mutual Funds				
Private Equity				
Corporate Stocks				
Hedge Funds				
Total				

December 31, 2015				
	Level 1	Level 2	Level 3	Total
Money Market Funds				
Mutual Funds				
Private Equity				
Corporate Stocks				
Hedge Funds				
Total				

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Private Equity: Valued by the outside independent third party of Morgan Stanley and is estimated at original commitment in accordance with the original partnership agreement, less contributions to date and distributions and also include an estimate for redemption proceeds pending fund valuations inclusive of activity. The redemption proceeds withheld by the issuer pending final valuations which are not subject to investment performance of the fund.

Corporate Stocks: Valued at the closing price reported on the active market on which individual securities are traded.

Hedge Funds: Valued at the NAV of unit held, as provided by the trustee. NAV is based on the fair value of the underlying investment held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

There were no transfers between level 1 and level 2 investments during the years ended December 31, 2016 and 2015.

**6. FAIR VALUE MEASUREMENTS (Continued)**

The following table sets forth a summary of changes in the fair value of the Company's level 3 assets for the years ended December 31, 2016 and 2015.

	Private Equity	
	2016	2015
Balance, beginning of year		
Realized gains (losses)		
Unrealized gain (losses)		
Purchases		
Sales		
Transfers in/(out) of level 3		
Balance, end of year		

**7. OTHER ASSETS**

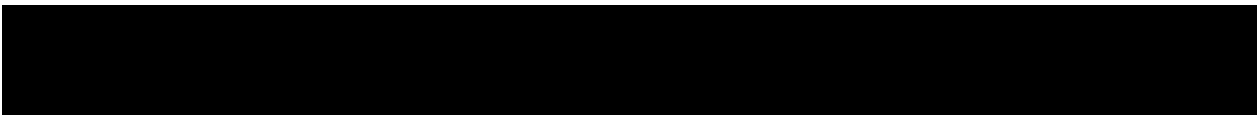
Other Assets include the acquisition cost of the Company's investments in Kansas Fiber Network, LLC. The carrying value of the investment is at original cost adjusted to recognize the Company's share of the earnings or losses and dividends received or receivable of the affiliated company from the date of acquisition.

	December 31, 2016		
	Amortized Cost	Unrealized Gain (Loss)	Market Value
Non-Affiliated Company - Kansas Fiber Network			
Total Other Assets			
Non-Affiliated Company - Kansas Fiber Network			
Total Other Assets			

**8. PROPERTY, PLANT, AND EQUIPMENT, NET**

	2016	2015
Land		
Buildings		
Central Office Equipment		
Outside Plant		
Furniture and Office Equipment		
Vehicles and Work Equipment		
Property, Plant, and Equipment Totals		
Accumulated Depreciation		
Property, Plant, and Equipment, Net		

9. **COMMON STOCK**



10. **COMMITMENTS**

The Company did not have any executed contracts at December 31, 2016 and 2015.

11. **PRIOR PERIOD ADJUSTMENT**

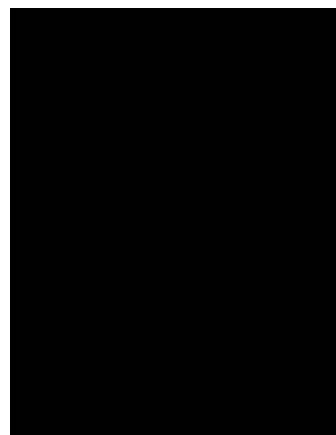
Retained Earnings January 1, 2015

Prior period adjustment to record allowance for doubtful accounts for 2014

Prior period adjustment to adjust cash for checks that were entered twice

Prior period adjustment to adjust accrued property tax for 2014

Restated Retained Earnings January 1, 2015



12. **SUBSEQUENT EVENTS**

The Company evaluated events and transactions occurring subsequent to December 31, 2016 through June 27, 2017, the date the financial statements were available to be issued. During this period, there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.